

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

STARRED QUESTION NO:36
ANSWERED ON:06.08.2013
NATIONAL PHARMACEUTICAL PRICING POLICY
Dhruvanarayana Shri R. ;Singh Shri Ganesh

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) the salient features of the National Pharmaceutical Pricing Policy (NPPP) 2012;
- (b) the present status of finalisation of the new drug price control order;
- (c) the regulatory framework for pricing of drugs/medicines so as to ensure availability of the required/essential medicines at affordable/reasonable prices;
- (d) whether the implementation of NPPP is likely to have adverse impact on the indigenous pharmaceutical industries and if so, the remedial steps proposed to be taken by the Government in this regard; and
- (e) the extent to which NPPP is expected to be beneficial for the common man?

Answer

MINISTER OF STATE(INDEPENDENT CHARGE) IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (SHRI SRIKANT KUMAR JENA)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO PARTS (a) to (e) OF THE LOK SABHA STARRED QUESTION NO. 36 FOR ANSWER ON 06.08.2013 REGARDING NATIONAL PHARMACEUTICAL PRICING POLICY

(a): The salient features of National Pharmaceutical Pricing Policy, 2012 (NPPP-2012) are as under:

The regulation of prices of drugs is on the basis of essentiality of drugs as under National List of Essential Medicines-2011.

The regulation of prices of drugs is on the basis of regulating the prices of formulations only.

The regulation of prices of drugs is on the basis of fixing the ceiling price of formulations through Market Based Pricing (MBP).

(b): The Drugs (Prices Control) Order, 2013 was notified on 15.05.2013.

(c): As per the provisions of Drugs (Prices Control) Order, 2013, all the existing manufactures of scheduled formulations, selling the branded or generic or both the versions of scheduled formulations at a price higher than the ceiling price (plus local taxes as applicable) so fixed and notified by the Government, shall revise the prices of all such formulations downward not exceeding the ceiling price (plus local taxes as applicable).

(d) to (e): The objective of National Pharmaceutical Pricing Policy-2012 is to put in place a regulatory framework for pricing of drugs so as to ensure availability of required medicines – "essential medicines" – at reasonable prices even while providing sufficient opportunity for innovation and competition to support the growth of industry, thereby meeting the goals of employment and shared economic well-being for all.